

MONTGOMERY ADVERTISER

Senate scheme hits taxpayers hard

June 17, 2007

The Alabama Senate's attempt to get free health insurance through a state program designed to help local governments could eventually cost Alabama taxpayers about \$1.7 million per year. But this attempt by the Senate to further feather its own nest could be stopped if the members of the State Employees Insurance Board would refuse to go along with it.

State senators, who started out the 2007 regular legislative session by giving themselves a 61 percent pay increase, ended it by passing a resolution intended to get health insurance at the public's expense.

Gov. Bob Riley has no direct responsibility for this program, but he should publicly and strongly urge the SEIB to not go along with this money grab by senators passed on an unrecorded voice vote. Since the Senate action came in the form of a resolution and not a bill, there is no legally binding reason for the SEIB to bow to the wishes of the Senate.

Keep in mind that senators already qualify for insurance coverage under the state employees' insurance program, but only if individual senators are willing to pay the full cost of that coverage -- currently \$460 per month for individuals and \$640 per month for family coverage.

But this resolution sponsored by Sen. E.B. McClain, D-Midfield, asks for the Senate to be covered under a different program administered by the SEIB but designed for local governmental entities.

Taxpayers should note that under the Local Government Health Insurance Plan, it is the covered entity -- in this case, the Senate -- that would decide how much the employee would pay for health insurance and how much the employer -- in this case, the taxpayers -- would pay. That is downright scary.

Since the resolution passed only the Senate, House members won't be affected. But if this attempt to get taxpayer-subsidized health insurance for senators holds up, you can bet that the House will use it as an excuse to get the same benefit for themselves.

If that happens and if all legislators take advantage of the potentially free coverage for themselves and for their families, it could cost taxpayers \$1.7 million a year. That money would come from the General Fund budget which already underfunds Medicaid coverage for the poor, for prisons and for many other state programs.

Members of the SEIB, which includes the state finance director, do not have to go along with this scheme. The law that set up the Local Government Insurance Plan plainly states that the decision to accept any group into the plan "shall be optional with the State Employees' Insurance Board."

And there is language in the law setting up the local government plan that would appear to make the Senate ineligible anyway. For instance, one section appears to eliminate groups that are covered by "an existing government sponsored health insurance program" during the 12 months preceding the date of application. As we noted earlier, the Senate is currently covered by the state employees plan, even though it is at senators' expense.

Another section of the law creating the local government plan states that groups can only be covered "without any liability to the state or the State Employees' Health Insurance Plan." Clearly if senators hope to have the state pay for any portion of their coverage, that would be a "liability to the state."

At the very least, the SEIB should request a state attorney general's opinion on the legality of this Senate raid on the public treasury. But an even better approach by the members of the SEIB would be simply to ignore this self-serving Senate scheme.

ANNISTON STAR

A few more things about the Senate

June 18, 2007

It seems a shame to keep picking on our state senators. Isn't it enough that they will go down in history as some of the most foul-mouthed, fighting, political-posturing and nest-feathering folks ever elected to public office in Alabama?

In Alabama that is quite a feat.

Instead of heading home quietly and hoping we would forget what they did and did not do, our senators added insult to injury. On the last night of a session that began with legislators giving themselves a 61 percent pay raise, the Senate, by an unrecorded voice vote, passed a resolution stating that senators would be "treated as are all state employees receiving health insurance" throughout the state.

It is not clear just what the next step will be — which program they will qualify under and what the terms of participation will be — but it is clear that those voting for this (whose names we do not know) want to get insurance at the same rate state employees get it. We would not be surprised to find out that the rate they are seeking is the one that allows state workers to pay \$180 a month for family coverage and nothing for single coverage.

If a senator decides to go under that plan, who picks up the tab for the rest of what it will cost to insure the senator and, perhaps, his family?

The Alabama taxpayer, of course. The same folks who are paying for the raise our senators and representatives gave themselves in January. (Through no fault of their own, the representatives were not included in the insurance resolution. Perhaps they should ask the senators why folks in the lower house were left out.)

Back when the pay raise was passed, we noted that a raise might be appropriate if our legislators showed us how efficient and effective they were in handling the people's business. Given what we have witnessed in Montgomery over the past few months, that pay raise was not deserved — especially by our senators.

For the Senate to suggest that its members were due additional compensation in the form of lower insurance costs at public expense reveals just how little they think of the people they are supposed to serve.

When the pay raise was passed, some legislators refused it. It will be interesting to see if any senators turn down this benefit that they have not earned.

MONTGOMERY ADVERTISER

Senate again feathers its own nest

June 14, 2007

Alabama state senators, who started out the 2007 regular legislative session by feathering their own nest at the expense of state taxpayers, ended the session on the same note.

In the helter-skelter of the last hours of the session, senators passed a resolution on a voice vote that could clear the way for members of the state Senate to qualify for free health insurance at the expense of Alabama taxpayers.

Legislators started the session by giving themselves a 61 percent pay increase, a fact that we hope the state's taxpayers will not forget until the next legislative elections in three years.

Not only was the resolution passed without a recorded vote, but it deliberately was written in language designed to hide its real purpose. The resolution states, "Senators shall be treated as are all state employees receiving health insurance under the program."

That sounds innocuous enough. But state employees get free health insurance, and pay much lower rates for family coverage than almost all Alabama taxpayers who earn their living working in the private sector. State employees currently pay nothing for single coverage and \$180 per month for family coverage.

The sponsor of the resolution, Sen. E.B. McClain, D-Midfield, defended it by telling the Associated Press, "Basically, legislators are state employees."

But basically, they're not. They don't work full time, like most state employees. And the Alabama Constitution doesn't treat legislators like state employees in most cases.

Since the resolution only mentioned senators and did not pass the Alabama House of Representatives, House members won't be affected. But if this attempt to get taxpayer-subsidized health insurance for senators holds up, you can bet that the House will use it as an excuse to get the same benefit for themselves.

The pay increase and the insurance scheme would be indefensible in any legislative session, but they are particularly smelly coming in the session that just ended -- a session in which the Senate in particular spent most of its time in petty bickering.

Since voters upset about this little insurance scam cannot hold any particular legislators responsible for it because of the unrecorded vote, we suggest they hold all senators responsible, but especially the Senate leadership.

MOBILE PRESS-REGISTER

Senators unified on self-help measures

June 16, 2007

BEFORE THE clock struck midnight on a wild and mostly worthless legislative session, Alabama's brawling senators put aside their differences and embraced the goal of providing affordable health insurance.

For themselves.

As time ran out on the 2007 regular session last week, the senators passed a resolution -- on a voice vote -- that could give them a substantial break on the cost of health insurance.

Here's the deal (and it's a sweet one): The resolution asks that senators be treated "as are all state employees," which means they could obtain family health insurance for the same price regular state workers pay -- \$180 a month. That's well below what most Alabamians in the private sector pay for family coverage.

State employees don't pay a dime for single coverage. So the senators could be giving themselves a freebie on health insurance.

The sponsor of the resolution, Sen. E.B. McClain, D-Midfield, said it's only fair that legislators be treated the same as regular state employees.

After all, they're like regular employees -- except they work three months a year, accomplish little while they're on the job and even punch one another at the office without getting fired.

And -- we almost forgot -- they give themselves 60 percent pay raises.

It's a tough job, but some dedicated public servant has to do it.

Sen. McClain said he intended to include the members of the House in his resolution, but it only mentions the Senate. The oversight is understandable: Senators were distracted on the final day of business by the flying right fist of Sen. Charles Bishop, R-Jasper, which landed on the jaw of Sen. Lowell Barron, D-Fyffe. But somehow they managed to recover enough composure to vote themselves another generous, taxpayer-funded benefit.

It was a fitting conclusion to a session that began with both the House and the Senate voting in favor of a 60 percent increase in legislative compensation. The pay hike also passed on a cowardly unrecorded voice vote.

Gov. Bob Riley vetoed the pay raise, forcing lawmakers to stand up and vote in favor of feathering their own nests.

Maybe the governor can find a way to nix the sweetheart insurance deal. Undoubtedly, most Alabamians would cheer if the governor backhanded the resolution across his desk and into the nearest trash can.

Legislators have a greatly exaggerated opinion of their own worth. They deserve decent compensation for their public service, but not almost \$50,000 a year -- with automatic cost of living raises that will push their pay above \$55,000 in a few years. As part-time officials, they don't deserve the same low-cost insurance benefits available to regular state workers, either.

Alabama voters, take heed: Your overpaid employees in the House and Senate are overdue for a serious performance evaluation.

TUSCALOOSA NEWS

Insurance perk bad call for Senate

Jun 15, 2007

The Alabama Legislature voted itself a pay raise, then waded into protracted partisan warfare that made the 2007 regular session one of the worst in memory.

All the reform legislation died, of course. Dozens of important bills failed to come up for debate. Fisticuffs on the Senate floor seemed to sum up the session.

By all accounts, it was a grand mess, a political train wreck that may require an expensive special session.

Yet it turns out that the senators saw fit to give themselves yet another perk.

On a voice vote in the closing moments of the session, they passed a resolution that offers them a reduced rate on state employee health insurance coverage.

State law allows lawmakers to get state insurance but they have to pay full coverage cost. The resolution would allow them to insurance at its cost to regular state employees.

The difference is substantial. One lawmaker now pays \$690 a month for full state family coverage. That would drop to \$180 a month under Sen. E.B. McClain's last-minute resolution.

McClain, D-Midfield, says he feels senators should be treated like other state workers.

One problem, however, is that the Senate is just a part-time position. Another is that the resolution doesn't apply to House members.

But those aren't the biggest problems. Is there any reason to give these lawmakers a new perk of any kind?

Here's how House Minority Leader Rep. Mike Hubbard, R-Auburn, sees it: "We've got the salary up. If we start getting the benefits up, that's a dangerous slope I don't want to go down. It could get to where people will do whatever it takes to get the job and do whatever it takes to keep the job."

We may be there already.

HUNTSVILLE TIMES

A last-minute perk

June 13, 2007

Senators stealthily give themselves cut-rate health insurance

Beware the final minutes of any session of the Legislature! Unexpected things happen, often to the detriment of the public. Like what happened late Thursday.

Without fanfare, without debate, with only a voice vote so you can't hold any individual responsible, the Alabama Senate gave itself some really cheap health insurance.

By adopting the resolution offered by Sen. E.B. McClain, D-Midfield, in the waning moments of the session, senators are now eligible for reduced rates on state employee health insurance.

Even though they supposedly work part time as public servants, the senators, thanks to McClain's resolution, have classified themselves as state employees for insurance purposes.

Previously, members of the Legislature could buy state insurance, but they had to pay full cost of the coverage. That runs to about \$690 a month for a family policy.

Under the new classification, a senator can get that same coverage for \$180 a month - plus \$22 more a month if he or she smokes.

Or - and here's the big one - a senator can get single coverage and pay absolutely nothing (or just \$22 if he or she is a smoker).

That's the way the coverage costs are set up for state workers, and that's potentially what senators could be paying.

And it gets better: State law also allows lawmakers to request insurance as a group. And, if the senators decided to, they could have taxpayers pick up the tab for the family policies.

Exactly how the Senate plans to implement the system - and who pays for what - remains unclear. But based on the fact that this same Senate (along with the House) unexpectedly gave itself what amounted to a 62 percent pay raise when the session began, the smart money says the senators plan to pay as little out of pocket as possible.

And who will pick up that tab? The citizens of Alabama.

Why didn't the members of the House come up with a similar last-minute gimmick? Maybe they are more responsible to the public they represent. Or maybe they are kicking themselves for not thinking up something along the same lines.

Below the radar

Voters who wonder how they managed to miss the campaign promises by the senators that they would raise their pay and cut their health insurance costs needn't worry that they overlooked something. Neither of these issues made the ads or speeches of any senator we can find.

But it's not difficult to predict what the next perk is in legislators' hearts.

Don't be surprised if legislative pensions make another showing in the next session. Maybe so early that opposition can't be mobilized. Maybe so late that no one is watching.

That's about all that's left for those who represent the people in Montgomery to fill out their financial portfolios.

MOBILE PRESS-REGISTER

Main blows whistle on Alabama Senate

June 22, 2007

STATE FINANCE Director Jim Main blew the whistle this week on state senators' sneaky attempt to give themselves free or low-cost health insurance at the taxpayers' expense.

Mr. Main wrote a letter urging the State Employees Insurance Board to keep the senators' hands off a health insurance program designed for local governments. He argued that the Senate was trying to get around the "legal process" and the traditional checks and balances on the branches of government when it approved a "last day, late night resolution" giving its members access to free health care.

With the clock running out on the 2007 legislative session, the senators passed the resolution on an unrecorded voice vote. This provided them the cover of anonymity while they stealthily launched their raid on the Local Government Health Insurance Program.

The finance director did the public a great favor by examining the somewhat arcane details of the resolution and exposing its fundamental deviousness. Mr. Main, who is a member of the State Employees Insurance Board, shows convincingly that it is "deserving of a 'veto'" by the board.

The State Employees Insurance Board certainly should stop the senators' grab for unearned government benefits. The board needs to follow Mr. Main's advice and take a stand for honest, fiscally responsible government.

Mr. Main points out that the generous health care benefits the Senate voted for its members would increase their total compensation by about \$5,000 a year. With the insurance added to the pay raise they gave themselves in March, senators will receive about \$55,000 a year for their part-time public service. On top of that, they'll also receive automatic cost-of-living raises.

It's astonishing that the senators had the gall to go for the gold on health insurance, too. In a year in which they fought -- literally, in one instance -- about almost everything and accomplished little for the public, they pulled together in the final hour on a slick maneuver to provide very affordable health insurance for themselves.

Mr. Main proves that the maneuver was a little too cute. He notes that the senators are trying to give themselves health insurance "under a local government employee health insurance program for which they are not logically eligible."

He believes this is a violation of state law, given that the Legislature passed legislation in 1990 allowing its members to participate in the State Employees Health Insurance Program. Under that plan, lawmakers pay the full cost of their coverage. The Legislature has never voted to amend that legislation -- and the late-night resolution doesn't qualify as a change in the law.

The finance director also observed that there is no funding source for the insurance coverage. That must mean the senators intend to have their costs "paid by the taxpayers," he wrote.

Of course that's what they intend. The members of the state House of Representatives probably have the same thing in mind; they just haven't taken action -- yet.

It's up to the State Employees Insurance Board to keep the legislators' greed for taxpayer-financed perks in check.

BIRMINGHAM NEWS

Just say no!

June 23, 2007

After a legislative session marred by the greed and selfishness of lawmakers - that 62 percent pay raise during the session's first week was only the beginning - state Finance Director Jim Main is at least trying to strike a small blow for taxpayers.

Main is asking the State Employees Insurance Board, which meets Tuesday, to turn down an application from the state Senate that would significantly lower the cost of health insurance premiums for senators. Most of the attention in the Senate on the final day of the session focused

on that big blow from Sen. Charles Bishop's fist to Sen. Lowell Barron's noggin. But our own Sen. E.B. McClain, D-Birmingham, sucker-punched through a resolution asking the Insurance Board to make the Senate a local government group.

The part-time lawmakers already can join the state health insurance program, but must pay the full \$690-a-month premium for family coverage. If the Insurance Board OKs McClain's request, taxpayers will subsidize insurance premiums for senators, as they do other state employees - besides paying each lawmaker almost \$50,000 a year in salary.

The Insurance Board should answer McClain with a resounding no - and then quickly duck.